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PAUL W. RAINWATER
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of State Uniform Payroll

August 25, 2010

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2011-11

TO: All ISIS HR Paid Agencies

FROM: Andrea P. Hubbard
Director

SUBJECT: Office of Group Benefits' Consumer Driven (CD) Health Savings
Account (HSA)

The following information is to provide agencies with a better understanding of how the CD HSA is set up in the ISIS HR system. Complete information on the CD HSA plan should be provided by the Office of Group Benefits (OGB).

- Deductions are withheld semi-monthly (no deduction on the 3rd payday of the month) and are tax-sheltered.
- Deductions are remitted to OGB monthly, for the previous month's deductions (along with health insurance premiums).
- The first employer contribution amount of \$100 is sent to OGB along with other monthly premiums in the month following the receipt of the initial infotype 15 record from OGB.
- The remaining \$400 employer matched dollars will also be sent to OGB along with other monthly premiums.
- All new deductions or changes to deduction amounts will be effective on the first of the month.
- The combined employee and employer contributions will be reported in box 12 of the employee's Form W-2.
- Employees are responsible for monitoring their annual tax-sheltered contributions to ensure they do not exceed the maximum allowed by the IRS. Agencies can utilize ISIS HR report ZP68 (select the "Deferred Compensation/Tax Shelter" radio button, and enter "HSAP" for the benefits plan) to review the year-to-date contributions made. Employees can reference the year-to-date column for wage type 4990 on the remuneration statement. The 2010 tax-free contribution limit is \$3,050 for employee coverage and \$6,150 for family coverage. An additional \$1,000 is allowed for participants who are age 55 or older.

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Agencies should be aware that employees who have enrolled in the CD HSA will not see their deductions post to their account until the month after the deductions have been withheld.

Questions regarding the CD HSA plan should be directed to the Office of Group Benefits (OGB). Questions regarding ISIS HR system information should be directed to the [ISIS HR Help Desk](#).

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